

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

CONFIDENTIAL

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
QEP - UINTA BASIN INC

Contact: RALEEN SEARLE
E-Mail: raleen.searle@questar.com

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435.781.4309
Fx: 435.781.4329

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface NWNE 729FNL 2202FEL 40.12791 N Lat, 109.40569 W Lon
At proposed prod. zone 4442982 Y 40.12808
635897 X -109.40504

14. Distance in miles and direction from nearest town or post office*
32 +/- MILES SOUT WEST FROM VERNAL, UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
729' +/-

16. No. of Acres in Lease
1595.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
1000' +/-

19. Proposed Depth
8000 MD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
5125 KB

22. Approximate date work will start

5. Lease Serial No.
UTU-73687

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
OU SG 2W-14-8-22

9. API Well No.
43-047-35384

10. Field and Pool, or Exploratory
KENNEDY WASH

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 14 T8S R22E Mer SLB

12. County or Parish
UINTAH

13. State
UT

17. Spacing Unit dedicated to this well
40.00

20. BLM/BIA Bond No. on file
ESB000024

23. Estimated duration
10 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature *Raleen Searle*

Name (Printed/Typed)
RALEEN SEARLE

Date
11/26/2003

Title
REGULATORY AFFAIRS ANALYST

Approved by (Signature) *Bradley G. Hill*

Name (Printed/Typed)
BRADLEY G. HILL
Office
ENVIRONMENTAL SCIENTIST III

Date
12-09-03

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #25544 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, sent to the Vernal

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T8S, R22E, S.L.B.&M.

QUESTAR EXPLORATION & PRODUCTION

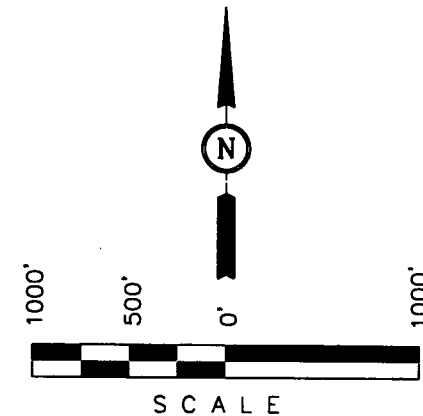
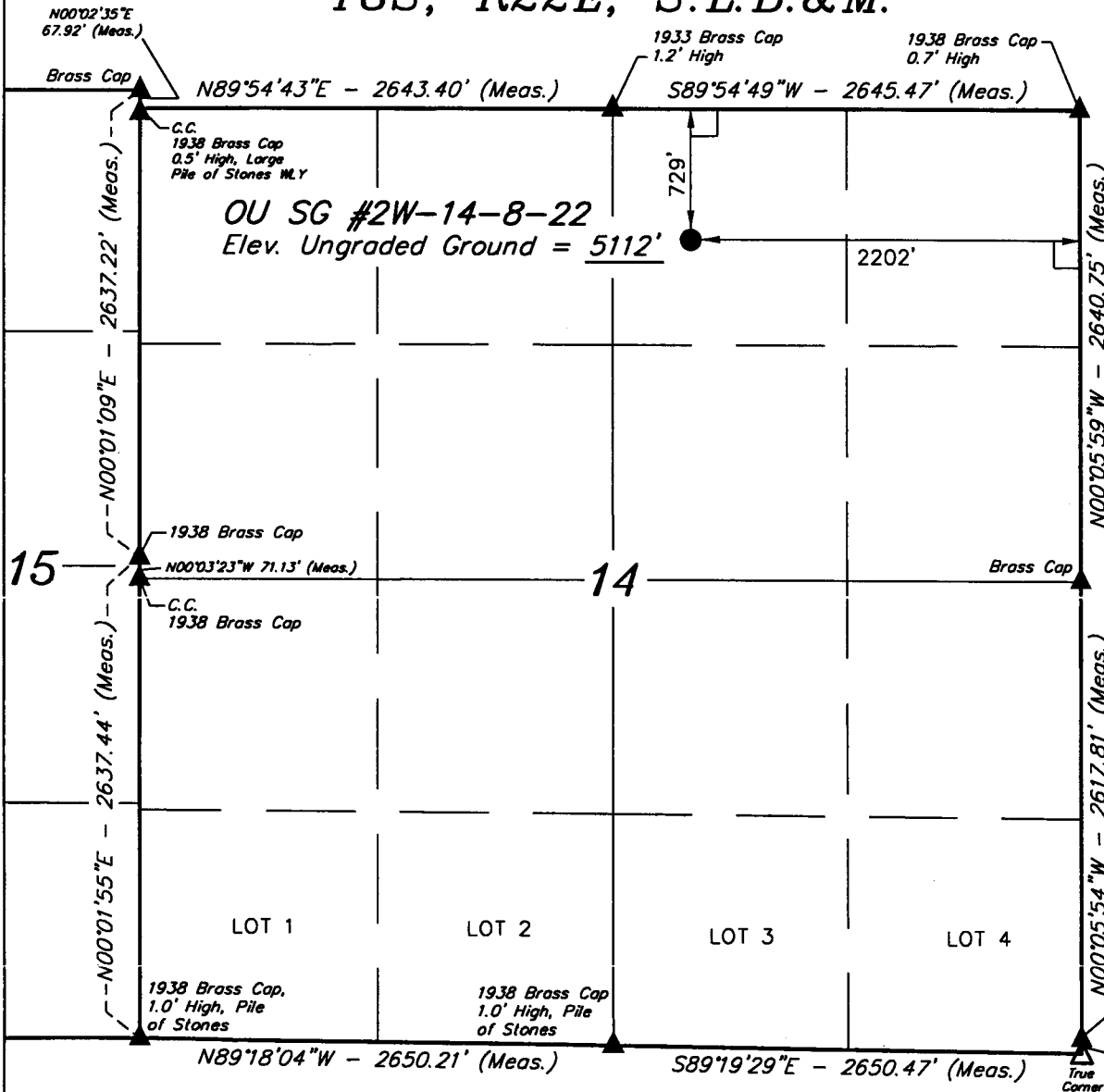
Well location, OU SG #2W-14-8-22, located as shown in the NW 1/4 NE 1/4 of Section 14, T8S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

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(NAD 83)
LATITUDE = 40°07'40.48" (40.127911)
LONGITUDE = 109°24'20.49" (109.405692)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 03-21-03	DATE DRAWN: 03-25-03
PARTY D.A. J.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QUESTAR EXPLORATION & PRODUCTION	

QEP Uinta Basin, Inc.
OU SG 2W-14-8-22

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>
Uinta	Surface
Green River	2569
Mahogany Ledge	3514
Wasatch	5999
TD (Wasatch)	8000

2. Anticipated Depths of Oil, Gas, Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Oil/Gas	Wasatch	8000

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 3200.0 psi.

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QEP UINTA BASIN, INC.
OU SG 2W-14-8-22
7:29' FNL, 2202' FEL
NWNE, SECTION 28, T8S, R22E
UINTAH COUNTY, UTAH
LEASE # UTU-73687

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the OU SG 2W-14-8-22 on November 4, 2003. Weather conditions were cloudy and cool at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buehler	Bureau of Land Management
Dixie Sadleir	Bureau of Land Management
Jan Nelson	QEP/SEI
Raleen Searle	QEP/SEI

1. Existing Roads:

The proposed well site is approximately 32 miles Southwest of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing access roads.

2. Planned Access Roads:

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map D for the location of the proposed pipeline.

5. Location and Type of Water Supply:

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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6. **Source of Construction Materials:**

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

7. **Methods of Handling Waste Materials:**

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. **Ancillary Facilities:**

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. **Plans for Reclamation of the Surface:**

Please see QEP Uinta Basin, Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

Seed mix # 1

11. **Surface Ownership:**

The well pad and access road are located on lands owned by:

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(435) 781-4400

12. **Other Information**

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

There is a Burrowing Owl Stipulation from April 1st through August 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

Construct a Reservoir at major drainage at Access Road use culvert for spill way.

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Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
QEP Uinta Basin, Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

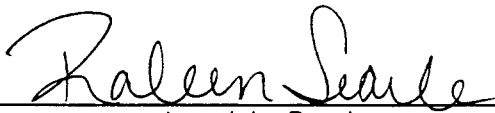
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of the r subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



for - John Busch
Red Wash Operations Representative

24-Nov-03
Date

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Additional Operator Remarks:

QEP Uinta Basin, Inc. proposes to drill a well to 8025' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see QEP Uinta Basin, Inc. Standard Operating Practices for Wasatch formation wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

See Onshore Order No. 1 Attached

Please be advised that QEP Uinta Basin, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. ESB000024. The principal is QEP Uinta Basin, Inc. via surety as consent as provided for the 43 CFR 3104.2.

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QUESTAR EXPLR. & PROD.

OU SG #2W-14-8-22

LOCATED IN UINTAH COUNTY, UTAH
SECTION 14, T8S, R22E, S.L.B.&M.

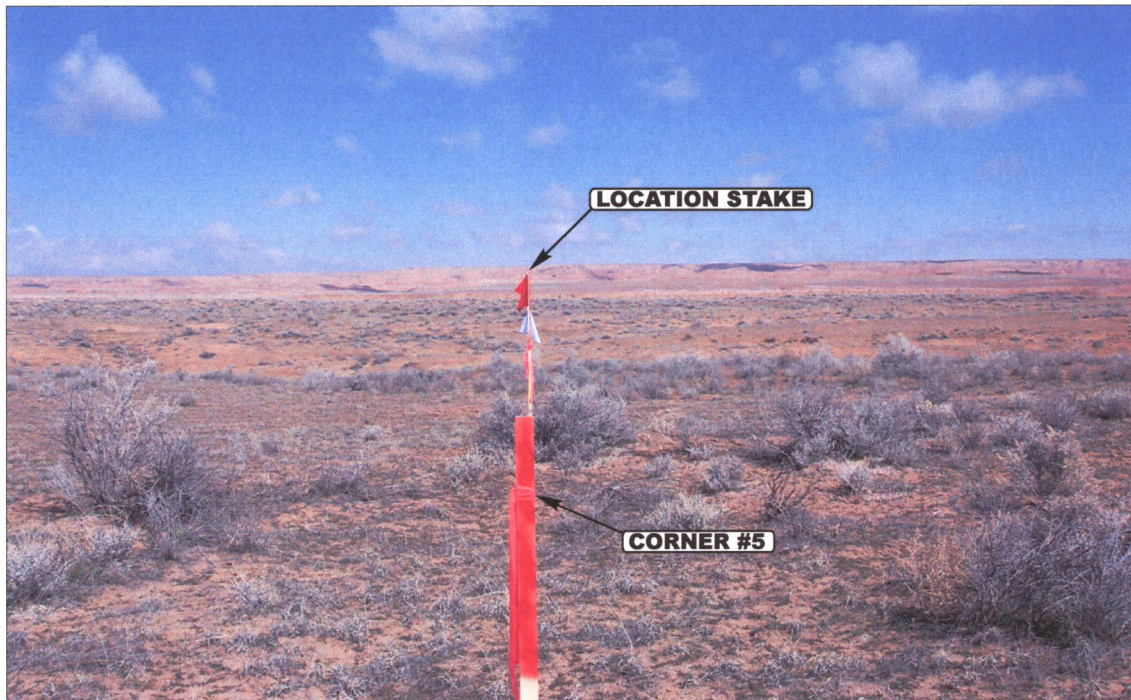


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

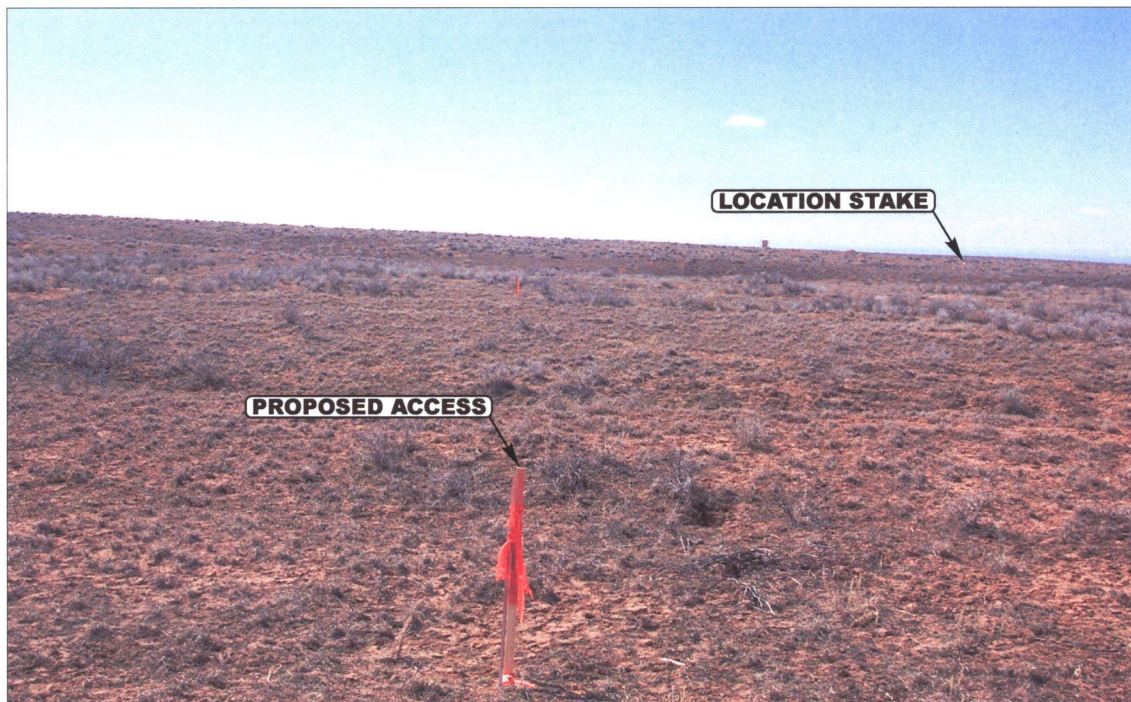


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

03 26 03
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: P.M.

REVISED: 00-00-00

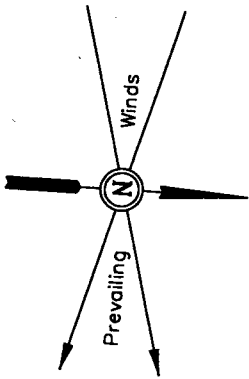
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QUESTAR EXPLORATION & PRODUCTION

FIGURE #1

LOCATION LAYOUT FOR

OU SG #2W-14-8-22
SECTION 14, T8S, R22E, S.L.B.&M.
729' FNL 2202' FEL



SCALE: 1" = 50'
DATE: 03-25-03
Drawn By: D.COX

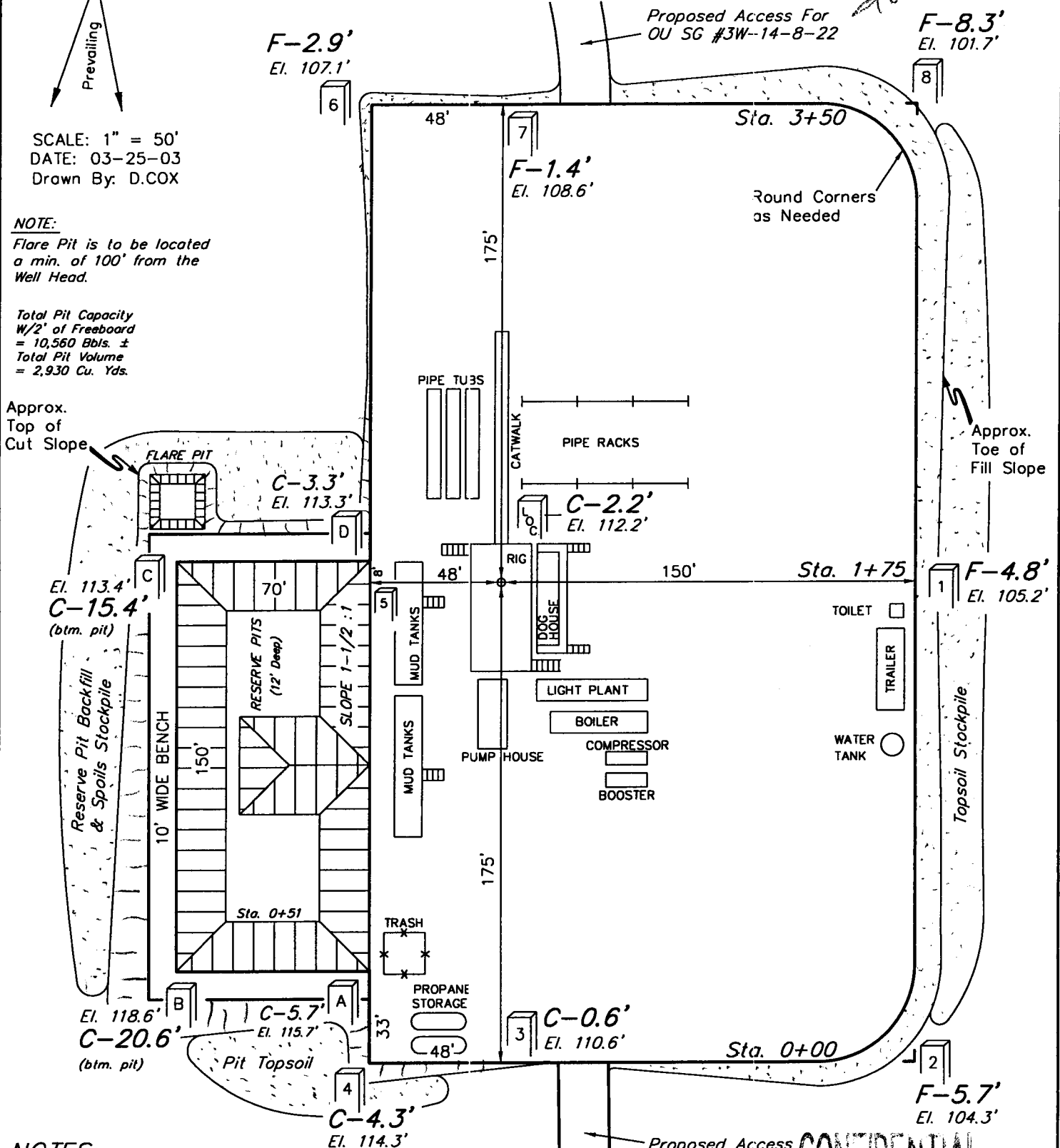
NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

Total Pit Capacity
W/2' of Freeboard
= 10,560 Bbls. ±
Total Pit Volume
= 2,930 Cu. Yds.

Approx.
Top of
Cut Slope

Approx.
Toe of
Fill Slope



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5112.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 5110.0'

Proposed Access
Road

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UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

FIGURE #2

X-Section
Scale

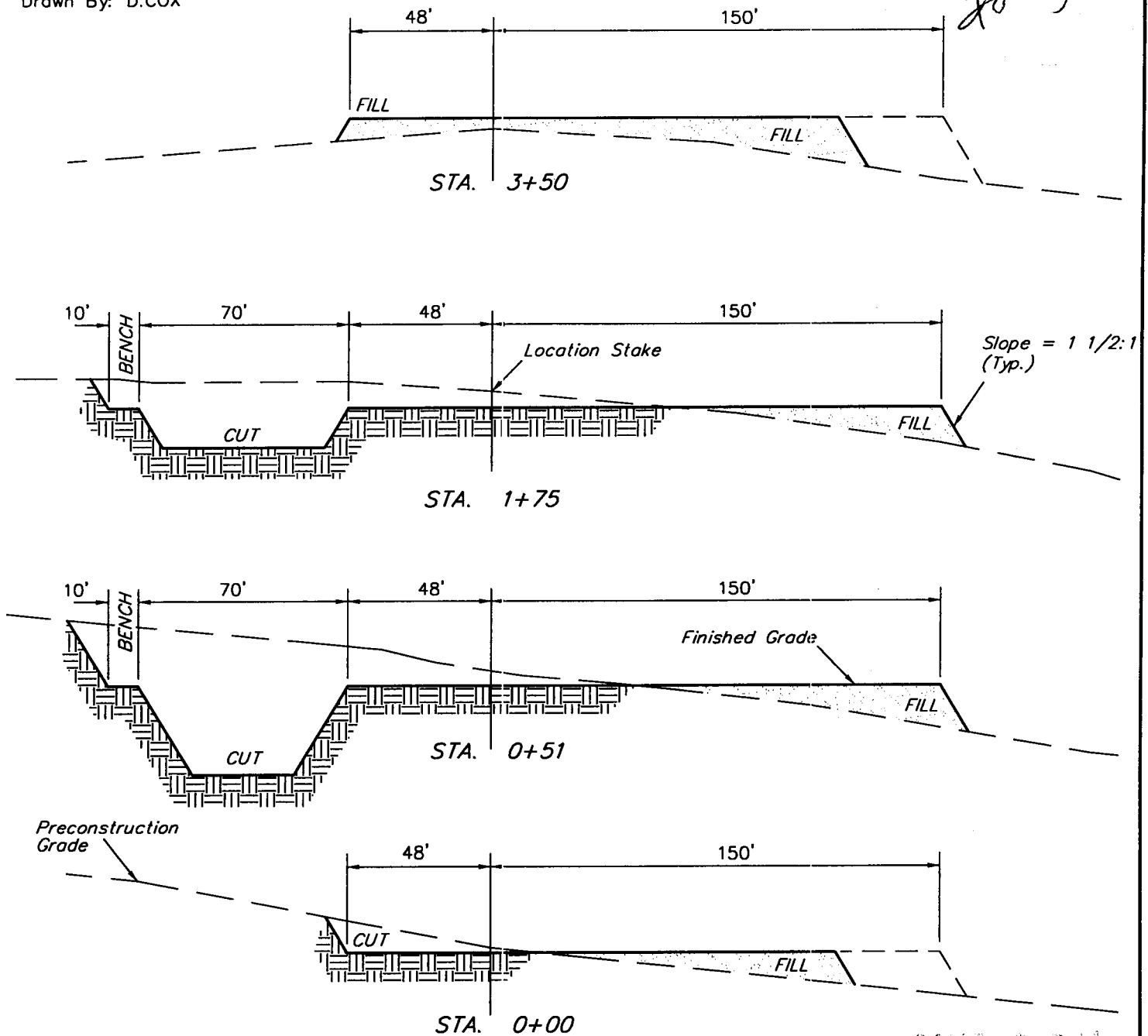
SECTION 14, T8S, R22E, S.L.B.&M.

1" = 20'

X-Section
Scale

1" = 50'

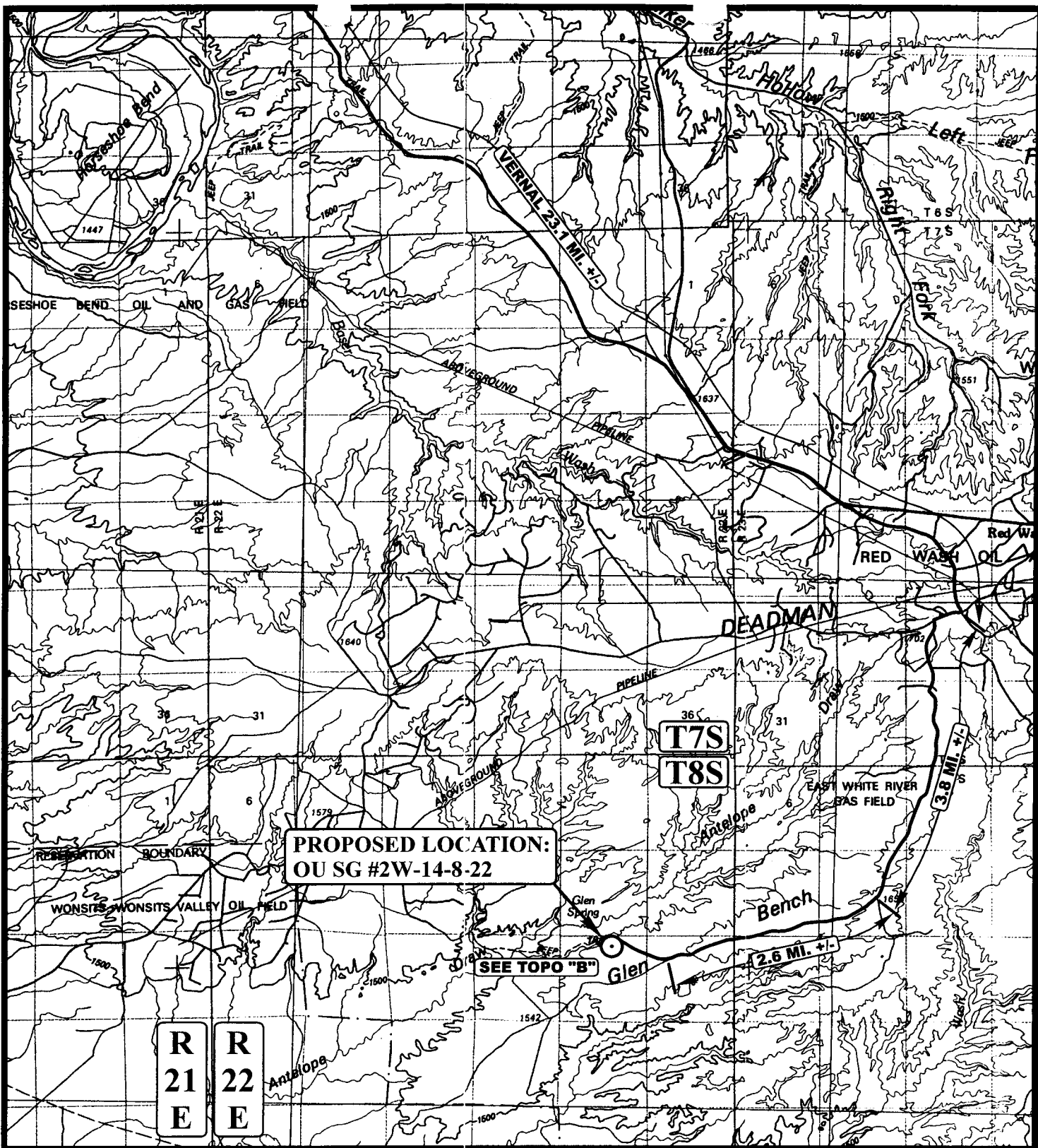
Drawn By: D.COX



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= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

QUESTAR EXPLR. & PROD.

OU SG #2W-14-8-22
SECTION 14, T8S, R22E, S.L.B.&M.
729' FNL 2202' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

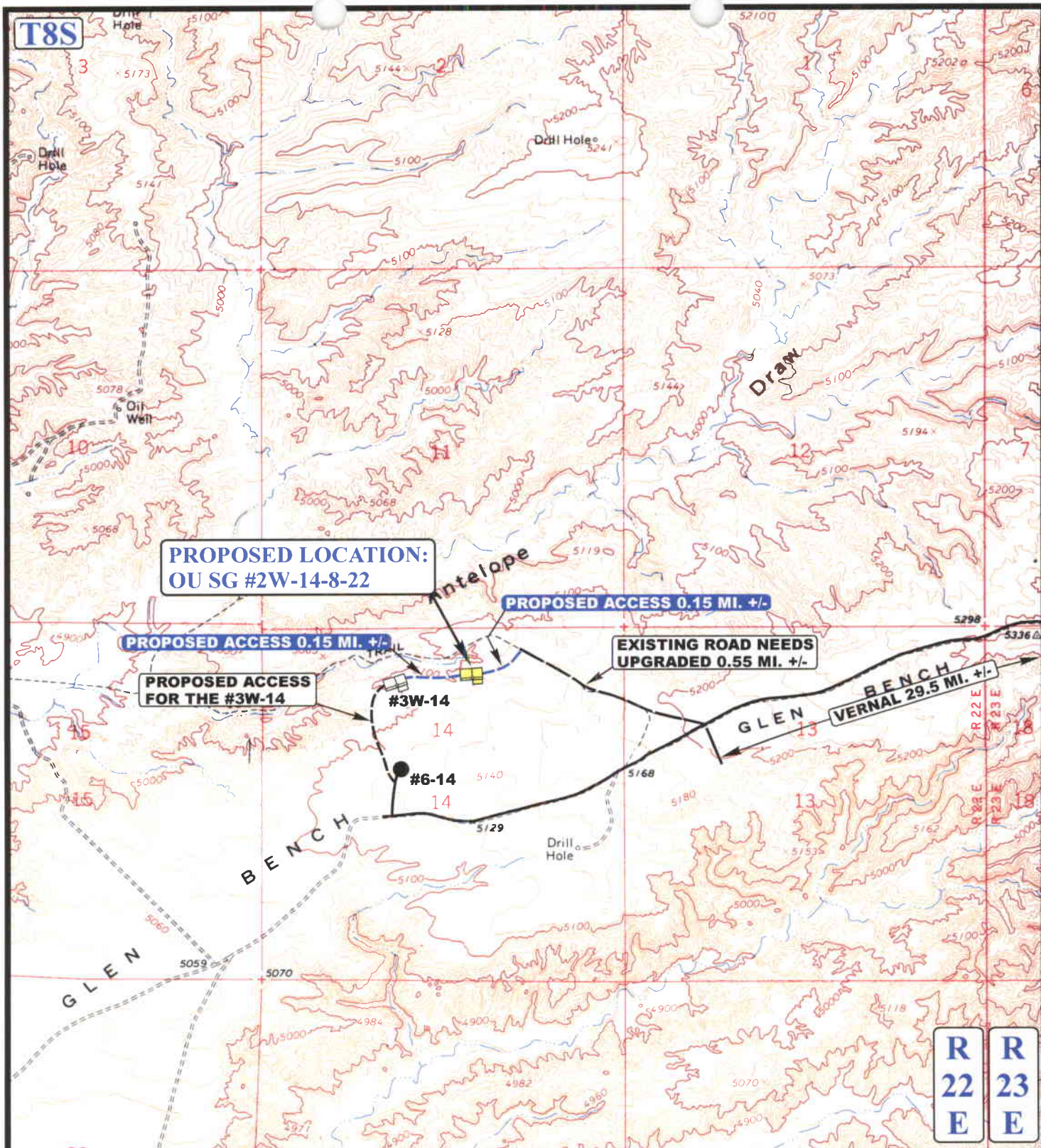
TOPOGRAPHIC
MAP

03 26 03
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00



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LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING ROAD NEEDS UPGRADED

QUESTAR EXPLR. & PROD.

OU SG #2W-14-8-22
SECTION 14, T8S, R22E, S.L.B.&M.
729' FNL 2202' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



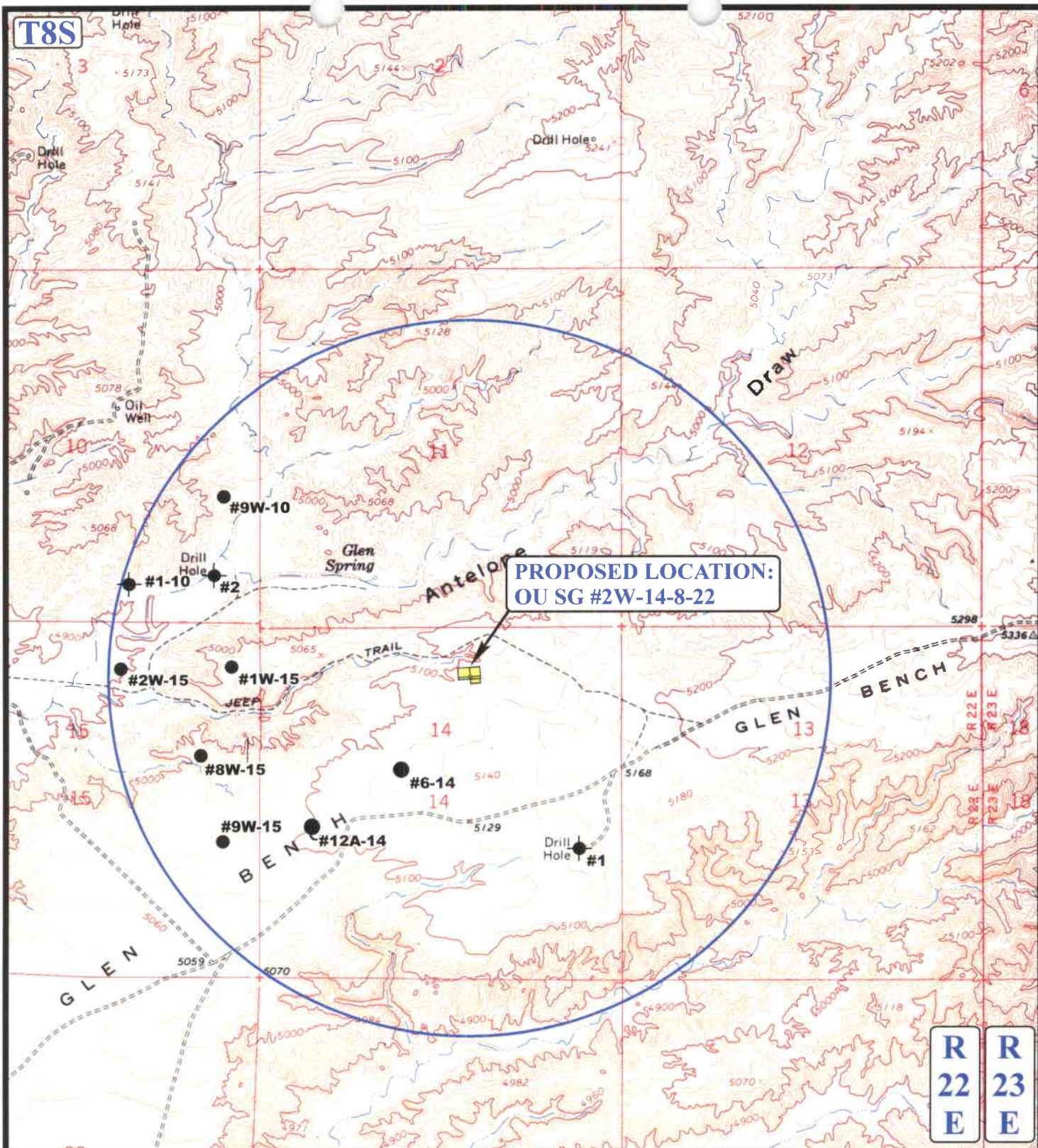
**TOPOGRAPHIC
MAP**

03 26 03
 MONTH DAY YEAR

SCALE: 1" = 2000' **DRAWN BY: P.M.** **REVISED: 00-00-00**

**B
TOPO**

CONFIDENTIAL



LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ⊗ ABANDONED WELLS |
| ⊖ SHUT IN WELLS | ⊖ TEMPORARILY ABANDONED |

QUESTAR EXPLR. & PROD.

OU SG #2W-14-8-22
SECTION 14, T8S, R22E, S.L.B.&M.
729' FNL 2202' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



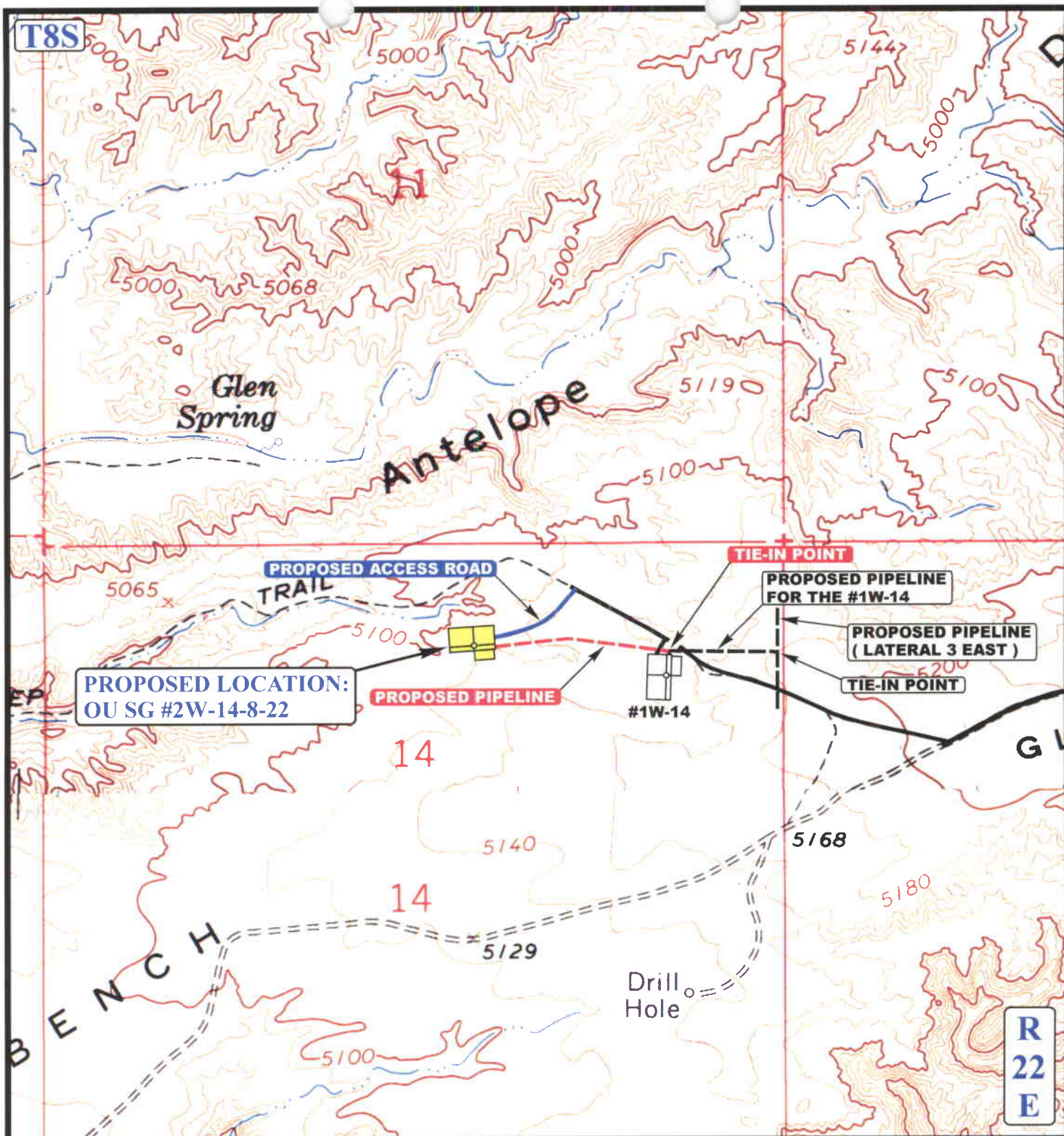
TOPOGRAPHIC
MAP

03 26 03
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



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APPROXIMATE TOTAL PIPELINE DISTANCE = 1,250' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

N

QUESTAR EXPLR. & PROD.

OU SG #2W-14-8-22
SECTION 14, T8S, R22E, S.L.B.&M.
729' FNL 2202' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

03 26 03
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

D
TOPO

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/02/2003

API NO. ASSIGNED: 43-047-35384

WELL NAME: OU SG 2W-14-8-22

OPERATOR: QEP UINTA BASIN, INC. (N2460)

CONTACT: RALEEN SEARLE

PHONE NUMBER: 435-781-4309

PROPOSED LOCATION:

NWNE 14 080S 220E

SURFACE: 0729 FNL 2202 FEL

BOTTOM: 0729 FNL 2202 FEL

UINTAH

KENNEDY WASH (618)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-73687

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.12808

LONGITUDE: 109.40504

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESB000024)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit

(No. 43-8496)

☒ RDCC Review (Y/N)

(Date:)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

Drilling Unit

Board Cause No:

Eff Date:

Siting:

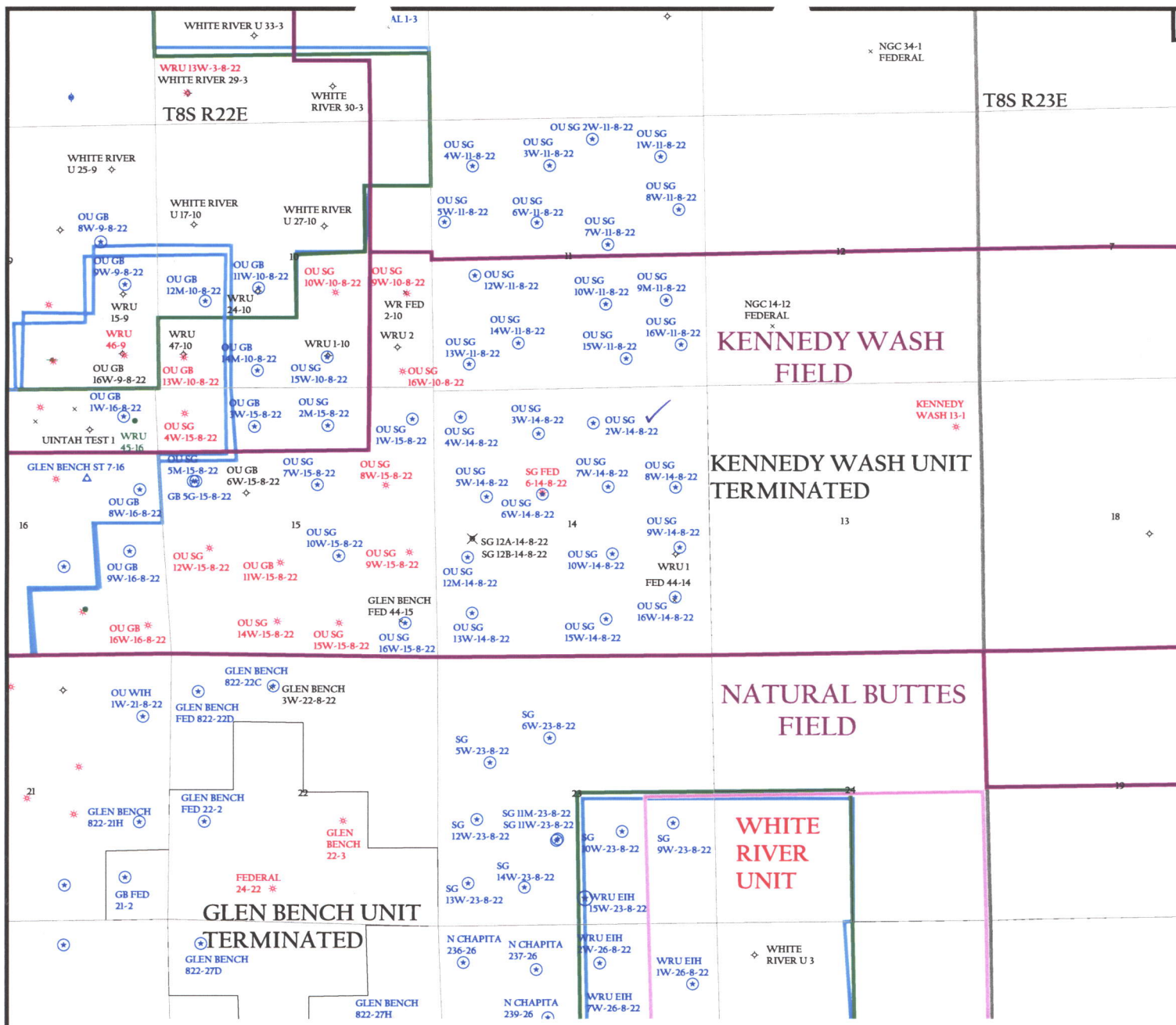
R649-3-11. Directional Drill

COMMENTS:

Sop, Separate Env

STIPULATIONS:

1- Federal Approval
2- Spacing Strip



OPERATOR: QEP UINTA BASIN INC (N2460)

SEC. 14 T.8S, R.22E

FIELD: KENNEDY WASH (618)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

Wells

- ✕ GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- ⊙ NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- ✕ TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 03-DECEMBER-2003



QEP Uinta Basin, Inc.

11002 East 17500 South

Vernal, UT 84078

Tel 435 781 4300 • Fax 435 781 4329

December 4, 2003

Division of Oil, Gas & Mining
1594 W. N. Temple STE 1210
Salt Lake City, UT 84114-5801

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 QEP Uinta Basin, Inc. OU SG 2W-14-8-22 is an exception to this rule due to topography.

There are no additional lease owners with 460' of the proposed location. If you have any question please contact Raleen Searle @ (435) 781-4309.

Thank you,

A handwritten signature in cursive script that reads "Raleen Searle".

Raleen Searle
Regulatory Affairs Analyst

RECEIVED

DEC 08 2003

DIV OF OIL GAS & MINING



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

December 9, 2003

QEP - Uinta Basin, Inc.
11002 E 17500 S
Vernal, UT 84078

Re: Over and Under Sage Grouse 2W-14-8-22 Well, 729' FNL, 2202' FEL, NW NE, Sec. 14, T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35384.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: QEP - Uinta Basin, Inc.
Well Name & Number Over and Under Sage Grouse 2W-14-8-22
API Number: 43-047-35384
Lease: UTU-73687

Location: NW NE Sec. 14 T. 8 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED
NOV 26 2003

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		By _____	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. OU SG 2W-14-8-22	
2. Name of Operator QEP - UINTA BASIN INC		9. API Well No. 43.047.35384	
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		10. Field and Pool, or Exploratory KENNEDY WASH	
3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329		11. Sec., T., R., M., or Blk. and Survey or Area Sec 14 T8S R22E Mer SLB SME: BLM	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNE 729FNL 2202FEL 40.12791 N Lat, 109.40569 W Lon At proposed prod. zone		12. County or Parish UINTAH	
14. Distance in miles and direction from nearest town or post office* 32 +/- MILES SOUT WEST FROM VERNAL, UT		13. State UT	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 729' +/-		17. Spacing Unit dedicated to this well 40.00	
16. No. of Acres in Lease 1595.00		20. BLM/BIA Bond No. on file ESB000024	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +/-		23. Estimated duration 10 DAYS	
19. Proposed Depth 8000 MD			
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5125 KB			
22. Approximate date work will start			

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operator's unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) RALEEN SEARLE	Date 11/26/2003
Title REGULATORY AFFAIRS ANALYST		
RECEIVED		
APR 26 2004		
Date 04/21/2004		
Office DIV. OF OIL, GAS & MINING		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

NOTICE OF APPROVAL

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #25544 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 12/04/2003 ()

CONDITIONS OF APPROVAL ATTACHED

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

04PS1075A

NOS 10/31/03

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP Uintah Basin Inc.

Well Name & Number: OU SG 2W-14-8-22

API Number: 43-047-35384

Lease Number: U-73687

Location: NWNE Sec. 14 T.8S R. 22E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend 200' above the top of the Green River formation which has been identified at $\pm 2750'$.

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supercede the requirement for submittal of paper logs to the BLM.

Other Information

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT—" for such proposals

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

UTU-73687

SUBMIT IN TRIPLICATE

1. Type of Well	
<input type="checkbox"/> Oil	<input type="checkbox"/> Gas
<input type="checkbox"/> Well	<input checked="" type="checkbox"/> Well
<input type="checkbox"/> Other	
2. Name of Operator	
QEP UINTA BASIN, INC.	
Contact: Jan Nelson	
Email: Jan.Nelson@questar.com	
3. Address and Telephone No	
11002 E. 17500 S. VERNAL, UT 84078-8526 (435) 781-4331	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	
NWNE 729'FNL 2202'FEL SECTION 14, T8S, R22E	

6. If Indian, Allottee or Tribe Name
N/A
7. If Unit or CA, Agreement Designation
N/A
8. Well Name and No.
OU SG 2W-14-8-22
9. API Well No.
43-047-35384
10. Field and Pool, or Exploratory Area
KENNEDY WASH
11. County or Parish, State
UINTAH, UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>APD Extension</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OU SG 2W-14-8-22.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 12-16-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 12-17-04
Initials: [Signature]

14. I hereby certify that the foregoing is true and correct.	
Signed Jan Nelson [Signature]	Title Regulatory Affairs Analyst
	Date 12-10-04

(This space for Federal or State office use)

Approved by:	Title	Date
Conditions of approval, if any		

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

RECEIVED
DEC 14 2004
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35384
Well Name: OU SG 2W-14-8-22
Location: NWNE 729' FNL 2202' FEL SEC. 14,T8S,R22E
Company Permit Issued to: QEP UINTA BASIN INC.
Date Original Permit Issued: 12/9/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Jan Nelson
Signature

12/10/2004
Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN INC.

RECEIVED
DEC 14 2004
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

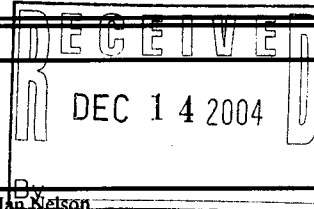
FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE



1. Type of Well
Oil ☐ Gas ☐
Well ☒ Well ☐ Other ☐

2. Name of Operator
QEP UINTA BASIN, INC.

Contact: Jan Nelson
Email: Jan.Nelson@questar.com

3. Address and Telephone No
11002 E. 17500 S. VERNAL, UT 84078-8526

(435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWNE 729'FNL 2202'FEL SECTION 14, T8S, R22E

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
OU SG 2W-14-8-22

9. API Well No.
43-047-35384

10. Field and Pool, or Exploratory Area
KENNEDY WASH

11. County or Parish, State
UINTAH, UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>APD Extension</u>	<input type="checkbox"/> Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OU SG 2W-14-8-22.

RECEIVED

JAN 19 2005

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct.
Signed Jan Nelson Title Regulatory Affairs Analyst Date 12-10-04

(This space for Federal or State Office use)
Approved by: Michael Lee Title Petroleum Engineer Date 12-10-04

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35384
Well Name: OU SG 2W-14-8-22
Location: NWNE 729' FNL 2202' FEL SEC. 14,T8S,R22E
Company Permit Issued to: QEP UINTA BASIN INC.
Date Original Permit Issued: 4/21/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

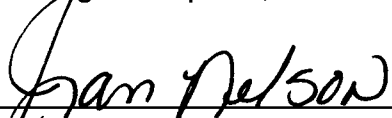
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

12/10/2004

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN INC.

QEP Uinta Basin Inc.
APD Extension

Well: OU SG 02W- 14-8-22

Location: NWE Sec. 14, T08S, R22E

Lease: UTU-73687

Conditions of Approval

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 04/21/06 .
2. No other extensions beyond that period will be granted or allowed.

If you have any other questions concerning this matter, please contact Michael Lee at (435) 781-4432.

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73687
2. NAME OF OPERATOR: QEP UINTA BASIN, INC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 729 FNL 2202 FEL		8. WELL NAME and NUMBER: OU SG 2W-14-8-22
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 14 8S 22E		9. API NUMBER: 4304735384
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: KENNEDY WASH
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the OU SG 2W-14-8-22.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 02-02-06
By: [Signature]

SENT TO OPERATOR
Date: 02-09-06
Initials: CM

NAME (PLEASE PRINT) <u>Jan Nelson</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u>[Signature]</u>	DATE <u>1/31/2006</u>

(This space for State use only)

RECEIVED**FEB 01 2006**

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35384
Well Name: OU SG 2W-14-8-22
Location: 729 FNL 2202 FEL, NW/NE, SEC. 14, T8S, R22E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 12/9/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

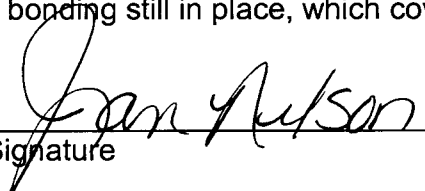
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

1/31/2006

Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

RECEIVED

FEB 01 2006

DIV. OF OIL, GAS & MINING



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 29, 2007

Laura Bills
QEP Uinta Basin Inc.
1571 East 1700 South
Vernal, Utah 84078

Re: APD Rescinded –OU SG 2W-14-8-22 Sec. 14 T. 8 R. 22E
Uintah County, Utah API No. 43-047-35384

Dear Ms. Bills:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 9, 2003. On December 16, 2004 and February 2, 2006, the Division granted a one-year APD extension. On January 29, 2007, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 29, 2007.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

A handwritten signature in black ink, appearing to read "Diana Mason".

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

February 2, 2007

Jan Nelson
QEP-Uinta Basin, Inc.
1571 East 1700 South
Vernal, UT 84078

43-44735354

Re: Notification of Expiration
Well No. OUSG 2W-14-8-22
NWNE, Sec. 14, T8S, R22E
Uintah County, Utah
Lease No. UTU-73687

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on April 19, 2004. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until April 19, 2006. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

/s/Sandra Sather

Sandra Sather
Land Law Examiner

cc: ~~UBOGM~~

bcc: Well file
Reading file
ES

U-924

RECEIVED

FEB 07 2007

DIV. OF OIL, GAS & MINING